ISR CAPITAL LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 200104762G)
(the "**Company**")

SECOND SUPPLEMENTAL AGREEMENT IN RELATION TO THE PROPOSED ACQUISITION OF 60% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF TANTALUM HOLDING (MAURITIUS) LTD ("TANTALUM") BY ISR CAPITAL LIMITED

Unless otherwise defined, all capitalized terms used in this announcement which are not defined shall have the meanings ascribed to them in the announcements of the Company dated 10 June 2016, 1 July 2016, 26 September 2016 and 1 August 2017 (the "Announcements") in relation to the Proposed Acquisition (as defined below).

1. INTRODUCTION

1.1 The Board of Directors (the "**Board**") of ISR Capital Limited (the "**Company**") refers to the announcements previously released in relation to the acquisition by the Company of all the 60% shareholding in Tantalum Holding (Mauritius) Ltd held by REO Magnetic Pte. Ltd. (the "**Vendor**") (the "**Proposed Acquisition**").

1.2 The Company and the Vendor entered into an addendum agreement dated 28 November 2016 to extend the longstop date of the First Sale and Purchase Agreement and the Second Sale and Purchase Agreement (**"SPAs"**) to 30 June 2017 (**"Addendum Agreement"**).

1.3 The Company and the Vendor subsequently entered into a supplemental agreement dated 31 July 2017 to vary the consideration and extend the longstop date of the SPAs to 31 December 2017, among other terms (**"First Supplemental Agreement"**).

1.4 The Company and the Vendor have mutually agreed to enter into a second supplemental agreement dated 31 December 2017 to vary the terms of the SPAs (**"Second Supplemental Agreement"**).

1.5 Except to the extent varied or amended by the provisions of the Second Supplemental Agreement, the terms and conditions of the SPAs, as amended by the Addendum Agreement and the First Supplemental Agreement, shall remain in full force and effect.

2. PRINCIPAL AMENDMENTS TO THE SALE AND PURCHASE AGREEMENTS

Extension of Long-Stop Date

2.1 Under the Second Supplemental Agreement, the Company and the Vendor have agreed that the long-stop date for the Proposed Acquisition shall be extended to 28 February 2018 (**"New Longstop Date"**) at which on or prior to the New Longstop Date, all Conditions, including the in-principal approval from the SGX-ST as set out in Clause 4.1.5 of each of the First Sale and Purchase Agreement and the Second Sale and Purchase Agreement, have been satisfied ("**AIP Condition**").

Moratorium

2.2 Under the Second Supplemental Agreement, the Vendor has undertaken and covenanted to provide a deed of undertaking to the Company that for a period of seven (7) months from the date of the issue of the Consideration Shares, it would not sell or transfer any of Consideration Shares without the written consent of the Company.

3. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors has any interest, direct or indirect, in the Proposed Acquisition other than their respective shareholdings in the Company. However, the Company would like to inform shareholders that Mr Chen Tong, the Company's Executive Chairman (as well as with Mr Vincent Lee, the Company's Group Financial Controller) was appointed as a director of Tantalum on 12 April 2017 pursuant to one of the conditions precedent of the facility agreement dated 26 September 2016 between the Company's wholly-owned subsidiary, ISR Global Pte. Ltd. and Tantalum. To the best information, belief and knowledge of the Company and its Directors, no controlling shareholder of the Company has any interest, direct or indirect, in the Proposed Acquisition.

4. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Second Supplemental Agreement is available for inspection during normal business hours at the Company's registered office at 83 Clemenceau Avenue, #10-03 UE Square, Singapore 239920, for a period of three (3) months from the date of this announcement.

5. RESPONSIBILITY STATEMENT

The Directors of the Company collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm, after making all reasonable enquiries that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Acquisition and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

By Order of the Board
ISR Capital Limited

Chen Tong
Executive Chairman

1 January 2018